

# BLANCHARD WALKER

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BLANCHARD, WALKER, O'QUIN & ROBERTS  
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September 21, 2007

Honorable James H. Welsh  
Commissioner of Conservation  
State of Louisiana  
Post Office Box 94275  
Baton Rouge, Louisiana 70804-9275

Mailing Address:  
P.O. Drawer 1126  
Shreveport, LA 71163-1126

**WM. TIMOTHY ALLEN, III**  
Direct: 318.934.0217  
Email: tallen@bwor.com

RE: HEARING APPLICATION  
Haynesville Zone, Reservoir A  
Cotton Valley Zone, Reservoir A  
Hosston Zone, Reservoir A  
Pettit Formation, Reservoir A  
Metcalf Field  
Caddo Parish, Louisiana  
Our File No. 230765.0112

Dear Sir:

On behalf of CHESAPEAKE OPERATING, INC., application is hereby made for a public hearing to receive evidence concerning the issuance of an order pertaining to the following matters relating to the Haynesville Zone, Reservoir A, Cotton Valley Zone, Reservoir A, Hosston Zone, Reservoir A, and Pettit Formation, Reservoir A, in the Metcalf Field, Caddo Parish, Louisiana:

1. To establish rules and regulations and create a single drilling and production unit (to be designated as HA RA SUA) for the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir A, in the Metcalf Field, Caddo Parish, Louisiana, as shown on the plat attached hereto.
2. To establish rules and regulations and create a single drilling and production unit (to be designated as CV RA SUA) for the exploration for and production of gas and condensate from the Cotton Valley Zone, Reservoir A, in the Metcalf Field, Caddo Parish, Louisiana, as shown on the plat attached hereto.
3. To establish rules and regulations and create a single drilling and production unit (to be designated as HOSS RA SUA) for the exploration for and production of gas and condensate from the Hosston Zone, Reservoir A, in the Metcalf Field, Caddo Parish, Louisiana, as shown on the plat attached hereto.
4. To force pool and unitize all separately owned tracts, mineral leases, and other property interests within the proposed units, with allocation of production from the unit well to the tracts within such units to be on the basis of surface acreage.
5. To provide that future wells drilled to the Haynesville Zone, Reservoir A, Cotton Valley Zone, Reservoir A and Hosston Zone, Reservoir A, in the Metcalf Field, Caddo Parish, Louisiana, within or outside the proposed units, shall be located in accordance with Statewide Order No. 29-E;
6. To redefine the Pettit Formation, Reservoir A, in the Metcalf Field, INsofar AND ONLY

INSOFAR AS TO PET RA SUF, as that gas and condensate bearing interval between the depths of 5,768 feet and 6,250 feet (electrical log measurements) in the Chesapeake Operating, Inc. - SRLT 29 No. 1 Well located in Section 29, Township 16 North, Range 15 West, Caddo Parish, Louisiana.

7. Except for the redefinition of the Pettit Formation, Reservoir A, as set forth herein, to confirm and continue PET RA SUF in full force and effect.
8. To permit the Applicant to drill, designate and utilize its Chiggero, et al No. 1 Well, at the location shown on the attached plats, as the unit well for HA RA SUA, CV RA SUA, HOSS RA SUA and PET RA SUF, respectively.
9. To permit the downhole combination of the Haynesville Zone, Reservoir A, Cotton Valley Zone, Reservoir A, Hosston Zone, Reservoir A, and Pettit Formation, Reservoir A, in the wellbore of any of the abovesaid units in which the ownership and acreage is identical.
10. To consider such other matters and issue such orders as may be appropriate and justified by the evidence presented at the hearing.

The Haynesville Zone, Reservoir A, in the Metcalf Field, Caddo Parish, is defined as being the stratigraphic equivalent of that gas and condensate bearing interval encountered between the depths of 10,910 feet and 11,487 feet (electrical log measurements) in the Chesapeake Operating, Inc. -SRLT 29 No. 1 Well, located in Section 29, Township 16 North, Range 15 West, Caddo Parish, Louisiana.

The Cotton Valley Zone, Reservoir A, in the Metcalf Field, Caddo is defined as being the stratigraphic equivalent of that gas and condensate bearing interval encountered between the depths of 8,535 feet and 10,910 feet (electrical log measurements) in the Chesapeake Operating, Inc. - SRLT 29 No. 1 Well located in Section 29, Township 16 North, Range 15 West, Caddo Parish, Louisiana.

The Hosston Zone, Reservoir A, in the Metcalf Field, Caddo Parish, is defined as being the stratigraphic equivalent of that gas and condensate bearing interval encountered between the depths of 6,250 feet and 8,535 feet (electrical log measurements) in the Chesapeake Operating, Inc. - SRLT 29 No. 1 Well located in Section 29, Township 16 North, Range 15 West, Caddo Parish, Louisiana.

The Pettit Formation, Reservoir A, in the Metcalf Field, Caddo Parish, was initially defined in Office of Conservation Order No. 813-A, effective January 29, 1980, but shall be redefined as set forth above.

Pertinent data concerning the intended application will be made available for inspection at the offices of Blanchard, Walker, O'Quin & Roberts, Chase Tower, 400 Texas Street, Shreveport, Louisiana 71163-1126. Any person wishing to inspect such data should call Wm. Timothy Allen III at (318) 221-6858 during normal business hours or write Mr. Allen at the above address, in order to arrange a date and time for such inspection. A copy of any such pertinent data can be obtained at the expense of the requesting party.

A list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties (as defined in the Rules of Procedure) is attached hereto, and a copy of this notice, with the annexed plats, is being sent to each of such persons. A reasonable effort has been made to determine that the enclosed list includes all of the persons to whom this notice must be sent under the Rules of Procedure.

By Pre-Application Notice dated September 7, 2007, applicant advised the Commissioner of Conservation, the District Manager and all Interested Owners, Represented Parties and Interested Parties of applicant's intention to apply for the hearing which is the subject of this application. Applicant received no request for a Pre-Application Conference, and accordingly, no conference was held.

A check in the amount of \$3,020.00 made payable to the Commissioner of Conservation is enclosed

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herewith as the statutory fee for holding the requested hearing.

This application is being filed in duplicate, and a copy hereof is being sent to Mr. James C. Broussard, Shreveport District Manager of the Office of Conservation and to each Interested Owner, Represented Party and Interested Party whose name is shown on the attached list.

Very truly yours,

BLANCHARD, WALKER, O'QUIN & ROBERTS

By: Wm. Timothy Allen III  
Wm. Timothy Allen III  
Attorneys for Chesapeake Operating, Inc.

WTAM:kmw  
Enclosures

cc: Mr. James C. Broussard, Shreveport  
District Manager (w/enclosures)  
cc: Interested Owners, Represented Parties  
and Interested Parties (w/copy of plats only)







